



Agenda

**Notice of a public meeting of: Joint Devolution Committee
(North Yorkshire Council and
City of York Council)**

**To: North Yorkshire Councillor Gareth Dadd
City of York Councillor Claire Douglas
City of York Councillor Peter Kilbane
North Yorkshire Councillor Carl Les
Zoë Metcalfe, Police Fire and Crime Commissioner and
Helen Simpson – York and North Yorkshire Local
Enterprise Partnership**

Date: Monday 23rd October 2023

Time: 3.30 pm

Venue: Meeting Room 3, County Hall, Northallerton DL7 8AD

The meeting will be available to view once the meeting commences, via the following link - www.northyorks.gov.uk/livemeetings Recordings of previous live broadcast meetings are also available there.

Business

1. **Welcome by the Chair, introductions and apologies for absence**
2. **Minutes of the meeting of the Committee held on 24 July 2023** (Pages 3 - 10)
3. **Declarations of Interest**
To note any declarations of interest
4. **Questions and Statements by the Public**
Members of the public may ask questions or make statements at this meeting under Council Procedure Rule 9 if they have given notice and provided the text to Daniel Harry of Democratic Services (daniel.harry@northyorks.gov.uk) no later than 12 noon on Wednesday 18 October 2023. Each speaker should limit themselves to 3 minutes on any item. Members of the public who have given notice will be invited to speak:
 - at this point in the meeting if their questions/statements relate to matters which are not otherwise on the Agenda (subject to an overall time limit of 30 minutes); or
 - when the relevant Agenda item is being considered if they wish to speak on a matter which is on the Agenda for this meeting.
5. **Finance Update** (Pages 11 - 12)
Report of the Chief Finance Officer, City of York Council

6. **Net Zero Funding** (Pages 13 - 20)
Report of the Interim Director of Transition, York and North Yorkshire LEP
7. **Devolution Progress Update**
The Interim Director of Transition, YNYLEP, to provide a verbal update
8. **Committee Work Programme** (Pages 21 - 24)
Report of the Assistant Chief Executive (Legal and Democratic Services)
9. **Any other items which the Chair agrees should be considered as a matter of urgency because of special circumstances**

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)
County Hall
Northallerton

13 October 2023

North Yorkshire Council

Joint Devolution Committee

Minutes of the meeting held on Monday 24 July 2023 commencing at 3.00 pm.

Present (voting members): City of York Councillor Claire Douglas in the Chair. North Yorkshire Councillor Gareth Dadd, City of York Councillor Peter Kilbane and North Yorkshire Councillor Carl Les.

Co-optees: Zoë Metcalfe (Police, Fire and Crime Commissioner) and Helen Simpson (York and North Yorkshire LEP).

Officers present: Richard Flinton, NYC; Barry Khan, NYC; Gary Fielding, NYC; Lisa Dixon, NYC; Daniel Harry, NYC; Elizabeth Jackson, NYC, Aissa Gallie, NYC; Nick Edwards, NYC; James Farrar, Y&NY LEP; Paul Clark, Y&NY LEP; Ian Floyd, CoYC; Bryn Roberts, CoYC; Samuel Blyth, CoYC; Helen Whiting, CoYC; Simon Dennis, OPFCC.

In attendance: Councillor Nigel Ayre, CoYC and Councillor George Jabbour, NYC

Copies of all documents considered are in the Minute Book

1 Welcome by the Chairman, introductions and apologies for absence

The Chair, Councillor Claire Douglas, welcomed everyone to the meeting.

There were no apologies as all four voting members of the committee were present, as were the two co-opted members.

The Chair, Councillor Claire Douglas, advised that the meeting would be recorded and broadcast and available to view on the City of York Council website.

The link to the recording of the meeting is here - [City of York Council - YouTube](#)

2 Minutes of the meeting of the committee on 13 March 2023

That the Minutes of the Joint Devolution Committee meeting held on 13 March 2023 be taken as read and confirmed by the Chair as a correct record.

3 Declarations of Interest

No declarations of interest were made at the meeting.

4 Exclusion of the public

The Chair, Councillor Claire Douglas, noted that there was an exempt annex relating to minute number:

6 – Combined Authority Governance: Proposed Staffing Structure for the Combined Authority from November 2023 and the Mayoral Combined Authority from May 2024 (Annex)

Resolved –

That on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 1 and 4 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006, the public would be excluded from the meeting during consideration of the appendices for minute number 6, if the content was to be discussed.

5 Questions and Statements by the Public

There were no public questions

6 Combined Authority Governance: Proposed Staffing Structure for the Combined Authority from November 2023 and the Mayoral Combined Authority from May 2024

Considered –

A report presented by Helen Whiting, Head of Human Resources at the City of York Council regarding a proposed staffing structure for the Combined Authority (CA).

The Annex to the report was exempt. The committee had resolved at minute number 4 that the public should be excluded during discussion of the Annex.

Helen Whiting introduced the report and gave an overview of the key points as summarised below:

- The report presented a staffing structure from November 2023 for the CA, and additional posts required from May 2024 following the election of the Mayor. This was pending the Order which would have implications for the PFCC's statutory officer status
- The report set out the interim appointment of a Director of Transition, who would oversee the CA project in the lead up to vesting day and the appointment of the Mayor
- It was proposed that the terms and conditions of employment for CA staff would mirror NYC's current terms and conditions
- The staff of the LEP would transfer into the CA on its creation and the Chief Executive would be appointed following the election of the Mayor

In response to a question on how the Chief Executive would be appointed it was confirmed that as a statutory post the appointment would be made by a joint committee of the CA and the constituent authorities and would not rest with the Mayor.

This was the final report to be considered at the meeting and following the presentation of the report in open session the committee went into closed session for discussion of the Annex at 3.43 pm.

Helen Whiting then gave an overview of the exempt Annex which provided further information on process and costs and detailed two options for the staffing structure.

The voting members of the committee discussed the proposals and indicated their unanimous support for the recommendations in the report.

Resolved –

- 1) That *Option 2* of the recommended staffing proposal as detailed in the confidential annex be approved, subject to any changes required through the drafting of the Order and any legislation
- 2) A permanent Chief Executive be appointed after the election of the Mayor in May 2024 as detailed in the confidential annex
- 3) The appointments and recruitment of the Director of Resources and the Head of Legal Services from September 2023 as detailed in the confidential annex, noting that any recruitment prior to MCA creation follows NYC's constitution and no recruitment will commence until all the legal requirements in relation to the establishment of the CA have been confirmed by Government and the two local authorities and confirmation of the status of the PFCC Statutory Officers.
- 4) North Yorkshire Resourcing be engaged to carry out the external recruitment exercises, and support the Appointments Sub-Committee as detailed in the confidential annex
- 5) the interim appointment of Director of Transition from 1st August be approved as detailed in the confidential annex
- 6) the interim appointment arrangements for the roles of Section 73 Officer and Monitoring Officer as detailed in the confidential annex be approved and noted
- 7) that terms and conditions for the MCA, mirror and are adopted on the basis of NYC given that LEP staff are already assigned NYC terms and conditions as detailed in the confidential annex
- 8) that HR / employment policies and procedures, including job evaluation, mirror NYC as detailed in the confidential annex

7 Finance Update

Considered –

A joint report by Debbie Mitchell, Chief Finance Officer, City of York Council and Nick Edwards, North Yorkshire Council, which provided a finance update in relation to spending plans to November 2023, set up costs of the Combined Authority (CA) and the LEP reserves.

Nick Edwards introduced the report and gave an overview of the key points, as summarised below:

- A budget of £600k had been agreed for costs of implementation of the CA for 2022/23, on the basis that it would be established on 1 November 2023, and of this £582k had been spent
- The Committee were being requested to approve a further £1m for 2023/24 which would cover the costs of staff time, provide funds for specific projects including Brownfield, Net Zero and ICT infrastructure and provide some contingency
- Any expenditure to be charged to the implementation budget would continue to be signed off by both CYC and NYC s151 officers
- On establishment of the CA implementation costs would be repaid to the constituent councils. The LEP would also cease to exist and any reserves it held at that point would be distributed to the constituent councils in accordance with the original funding

contributions to the running of the LEP

- Should the CA not proceed the risks would be shared equally between CYC and NYC. NYC had cash flowed the implementation costs and held the LEP reserves
- Once established the CA would receive funding of £10m for 2023/24 for the Mayoral Capacity Fund, Transport Capacity Fund and an Investment Fund (gainshare)
- The Adult Education Budget (AEB) would require £494k of match funding, and staffing which would have a part year cost of £1.6m in 2023/24 and a full year cost of £4.5m, £1.9m of which would be funded from project specific grants and £1m from the Mayoral Capacity Fund
- A report on the overall budget for the CA would be brought to a future meeting of the committee for approval

There followed a short discussion with the key points as summarised below:

- It was noted that once the CA was established it would be helpful to track back-office costs compared to spend and delivery
- It was noted that should the CA not go ahead the risk would be borne by CYC and NYC on an equal basis, and it was important that the project continue to progress to reduce this risk

The voting members of the committee indicated their unanimous support for the recommendations in the report.

Resolved –

- 1) The implementation spend of £582k incurred to 31st March 2023 be noted and the budget of £1m for continued implementation costs up to the creation of the Combined Authority in November 2023 be approved
- 2) It be noted that North Yorkshire Council (NYC) will continue to cash flow the implementation and set up costs of the Combined Authority (CA) on the understanding that these costs will be repaid once funding is released on creation of the Combined Authority in November
- 3) It be noted that any remaining reserves held by the LEP as at 1st November 2023, when the CA will be created, will be repaid back to the contributing authorities on a pro rata basis

8 Branding and Website Recommendations for the York and North Yorkshire Combined Authority

Considered –

A report by Aissa Gaille, Head of Communications for the York and North Yorkshire Local Enterprise Partnership regarding proposals for York and North Yorkshire Combined Authority (CA) Branding and making recommendations on the sub brands linked from the CA website on day one.

Aissa Gaille introduced the report and gave an overview of the key points, as summarised below:

- The work to develop branding for the CA was a result of collaboration between all the partners including the York and North Yorkshire Local Enterprise Partnership (LEP), North Yorkshire Council (NYC), City of York Council (CYC) and the Office of the Police,

Fire and Crime Commissioner (OFPC) and had been carried out in house

- The existing brands had been reviewed and combined to produce the shared concept
- The proposed brand logo could be seen at Annex 1 and the full concept at Annex 2.
- The proposed logo concept would work alongside all existing brands
- The website would link to the 3 sub-brands of the OFPC, York and NY Growth Hub and Invest in York and North Yorkshire

Aisa Gaille then responded to questions as below:

- It was confirmed that the Mayor would have the opportunity to review the branding once elected through the same working group which would develop any proposals with the Mayor
- It was also confirmed that the colours used were from the existing palette of current brand logos. A comment was made that some of the colours were associated with political parties and it was confirmed that this was an area which could be considered by the new Mayor.

The voting members of the committee indicated their unanimous support for the recommendations in the report.

Resolved –

- 1) That the Joint Committee note and approve the branding design for the York and North Yorkshire Combined Authority
- 2) That the Joint Committee note and approve the partner sub-brands that will linked from the CA website from day one

9 Adult Education Budget Implementation Funding

Considered –

A report by James Farrar, Chief Operating Officer, York and North Yorkshire Local Enterprise Partnership regarding the Department for Education (DfE) requirements in relation to the Adult Education Budget and the associated costs.

James Farrar introduced the report and gave an overview of the key points, as summarised below:

- Adult Education was a statutory responsibility which came with devolution and was currently £11.2m across York and North Yorkshire. Currently there were 17k learners and almost 180 different providers and both NYC and CYC were providers
- What was being devolved was the role of the DfE in relation to the strategic management of the £11.2m and in order to do this a number of statutory responsibilities were required to be met. These included
 - a) The Secretary of State for Education would need to be assured that York and North Yorkshire were operationally ready to administer the AEB
 - b) Parliament has to legislate to enable the transfer of the statutory duties
 - c) Agreement of a memorandum of understanding between the Department for Education and York and North Yorkshire to provide appropriate assurance

- d) Learner protection arrangements agreed between the parties
- There would be an opportunity to bid for funding to support the investment needed to meet the readiness criteria, though any funding would need to be matched locally. The estimated costs of this would be £975k over two years – the bid to the DfE would be £480k, with £494k match funding needed. Approval was sought for £494k from the CA from the Mayoral Investment Fund to leverage £480k from the DfE
 - The existing LEP Skills and Employability Board (SEB) would act in an advisory capacity with formal decisions taken by this committee which had the correct political representation. It was also recommended that the NYC s151 officer be given delegated authority to accept the funding from the DfE

Members' questions were responded to as below:

- In response to a question, James Farrar confirmed that a councillor from NYC could be nominated to sit on the SEB alongside a councillor from CYC
- Clarification was requested on why the allocation of funding from the DfE to be matched was not a 50% split. James Farrar advised that the DfE funding could only be used for new posts and positions, whilst funding for existing staff must come from the matched side, which accounted for just over half of the total
- James Farrar explained the advantages of having devolution of the Adult Education Budget, which included local control and local leadership enabling closer alignment with the economic needs and opportunities within the region, and increased flexibility in how the service was delivered
- In response to a question on governance and how decisions would be brought forward from the SEB, Lisa Dixon advised that work was still underway on the details of governance and further reports would be brought forward in due course
- The Chair referred to the change of working practices for the LEP in working with Members and the importance of ensuring full public visibility of procedures

The voting members of the committee indicated their unanimous support for the recommendations in the report.

Resolved –

- 1) That the YNY MCA will receive £9m Mayoral Investment Funding on creation of the MCA with power to invest that funding in advance of the Mayor being elected. It is proposed that £494,816 Mayoral Investment Funding is allocated to enable the MCA to drawdown £480,494 from DofE and to support the required work in meeting the investment readiness conditions required to devolve the AEB Budget.

This is as set out in the business case at Appendix 2.

- 2) That the existing YNYLEP Skills and Employability Board (SEB) take on the role of the Project Board with the addition of elected members from each Local Authority to oversee the implementation stage and drive progress.
- 3) That prior to creation of the Mayoral Combined Authority (MCA), North Yorkshire Council are acting as the Accountable Body for MCA funding. Therefore it is recommended the North Yorkshire Council Corporate Director – Resources (s151) be given delegated authority to accept any funding ultimately offered as a result of the business case submitted to DfE for AEB implementation funding in consultation with co-chairs of the Joint Committee.

10 Committee Work Programme

Considered -

A report by Lisa Dixon, Assistant Director (Devolution / Combined Authority), outlining the proposed work programme for the Committee, which was attached at Appendix A.

Lisa Dixon introduced the report and gave an overview of the key points as summarised below:

- The work programme provided an overview of the decisions and key points the committee would need to consider in relation to the establishment of the combined authority as a legal entity on 1 November 2023
- Further items around transport would be added to the plan and these included the key route network, the strategic highway asset management plan, the strategic local transport plan and the major schemes pipeline
- The work programme was expected to change as work progressed

There followed a discussion with key points as summarised below:

- A budget update was requested to be provided at every meeting
- Officers were still working with central government on governance issues and an update would be provided in September when Members' views would be sought. The CA's Constitution and standing orders would be brought forward for approval in November
- Members of constituent authorities would get the opportunity to give their views on the governance arrangements
- The Government was working on the Order and a draft was expected in early autumn, though no clear dates had been provided. The Mayoral election was still expected to take place in May
- The Chair requested that the Minister responsible be written to requesting an update on timing

Resolved –

That Members note the Committee's work programme attached at Appendix A, which would be updated as work progressed, and a budget update brought to each meeting.

11 Any other business which the Chair agrees should be considered as a matter of urgency because of special circumstances

There was no urgent business.

The meeting concluded at 3.56 pm.

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23 October 2023

Finance Update

Report of the City of York Council Chief Finance Officer

1. Purpose of the Report

1.1. To provide an update on the financial aspects of the Combined Authority

2. Background

2.1. The Combined Authority (CA) will be funded through a range of new funding streams. To provide confidence in the financial sustainability and investment potential of the CA, work continues on the outline financial model, identifying both the transitional costs for establishing the CA and its ongoing operational costs.

2.2. To do so, clarity is required on the costs of areas such as staffing, accommodation, ICT provision and support services, for which there are multiple options or possibilities. An initial position has been taken that, certainly for the first year of its existence, the CA will receive all support services from the constituent councils. Over time, as the CA develops and senior roles are appointed to, this may change but it is considered that retaining existing council provided support services will ensure stability and resilience in the short to medium term. Assumptions have been made around the level of support services needed and based on these assumptions, estimates are being produced that will result in a high level outline budget for the initial period of the CA.

2.3. The CA budget will be brought for approval at a future meeting of this Committee.

3. Analysis

3.1. Issues to update on include:

- The implementation budget is being kept under review. Despite the delays in the start date of the CA we expect to be able to keep costs within the approved funding.
- Work is ongoing to prepare the budget for the CA alongside the close down of the LEP accounts.
- Service Level Agreements for support services are being created so that from day one of the CA, there is the necessary support in place.
- An actuarial valuation has been completed and the pension fund contribution rate has been agreed.
- Work is ongoing, through NYC, with an insurance broker to assist with ensuring all the necessary policies can be secured and in place for January.
- A separate finance system will be in place for the CA from January. This will suffice in the short term, but further work will be needed by the CA as soon as it is created to assess what system will be needed in future.
- We are currently taking VAT advice to ensure the best financial position for the CA.

- Work is ongoing to complete the Financial Regulations alongside the work being done on the Governance Framework.
- A session has been held session on potential Corporate Risks and this will come back to a future meeting along with a Risk Management Strategy Framework
- Discussions have been held with Emergency Planning and Business Continuity Support to enable the creation of business continuity plans.

4. Financial Implications

4.1. As this report is for information, there are no direct financial implications. However, it will be important for the Combined Authority to be self-financing, sustainable and financially resilient.

5. Other Implications

5.1. There are no legal, climate change or equalities implications to this report.

6. Reasons for Recommendations

6.1. To ensure the Committee is made aware of current progress on financial matters.

7. Recommendations

7.1. The Committee is asked to note the contents of the report.

Contact Officers:

Debbie Mitchell
City of York Council

Nick Edwards
North Yorkshire Council

York and North Yorkshire Joint Devolution Committee Meeting

23 October 2023

NET ZERO FUNDING

Report of the Interim Director of Transition

1. Purpose of the Report

1.1 This report seeks to allocate £7m funding to a programme of Capital and Revenue projects that will deliver significant carbon reductions and contribute to York and North Yorkshire's ambition to be net zero by 2034. The report seeks to recommend an over commitment of the funding for additional schemes to be funded from the mayoral Investment Fund.

2.0 BACKGROUND

- 2.1 Within the proposed York and North Yorkshire Devolution Deal, published August 2022, it was agreed "The Government will provide £7 million investment that will enable the area of York and North Yorkshire to drive green economic growth towards their ambitions to be a carbon negative region. This investment is subject to agreement of a business case from the area".
- 2.2 To ensure readiness to deliver this funding prior to the York and North Yorkshire Mayoral Combined Authority (YNY MCA) being established, the Devolution Joint Committee agreed an interim process at the 30th November 2022 Joint Committee meeting. This agreement was for the York and North Yorkshire Local Enterprise Partnership to administer the fund, on behalf of the YNY MCA.
- 2.3 At the 30th November 2022 Joint Committee meeting, the prospectus for the Net Zero Fund was signed-off. This included agreement of the purpose and scope of the funding, as summarised below:
- **Project Development Support** (£1m revenue funding): The Fund will support the development of projects to enable us to build an investible pipeline of projects that will make a significant contribution to delivering net zero, energy security and economic growth. The fund will support project development activities, including project scoping, community engagement, feasibility studies and business case development.
 - **Capital Grants for Project Delivery** (£6m capital funding): The fund will enable the delivery of net zero projects that otherwise would not happen. The fund will provide capital grants to deliver net zero projects.
- 2.4 The Net Zero Fund was launched on 3rd January 2023, with a call for full applications for the revenue strand and Expressions of Interests (EoI) for the capital strand. The deadline for applications and EoIs was the 6th February 2023. 52 applications were received for the revenue strand, and 61 applications were submitted for the capital strand. An assessment panel was created made up of representatives from the Y&NY LEP, NYCC, CYC and the North East and Yorkshire Net Zero Hub. Each panellist individually assessed each application based on the Gateway Criteria and Assessment criteria, as set out in the Prospectus. A consensus session was then held on the 16th February 2023 to agree overall scores and recommend projects to prioritise.
- 2.5 At the 13th March 2023 Joint Committee meeting, the initial prioritised list of revenue projects were approved to form the basis of further discussions with applicants, and the initial prioritised list of capital projects were approved to progress to full business case stage.

3.0 APPRAISAL PROCESS AND OUTCOME

- 3.1 Following the Joint Committee's approval of the initial prioritised list of projects in March 2023, applicants to the **Project Development Support (revenue) strand** were requested to submit additional information around their project. Applicants to the **Capital Grants for Project Delivery strand** were invited to submit full business cases.
- 3.2 To ensure that the appraisal process was independent and rigorous, an external consultancy were commissioned to undertake the appraisal of the revenue and capital projects.
- 3.3 For the **Project Development Support Strand (revenue)**, additional information was obtained from applicants around Value for Money (VfM), need for public sector intervention, procurement processes and risks, and monitoring and evaluation. Initial applications and additional information obtained were appraised using Green Book principles proportionate to the amount of funding being requested. Each appraisal reports sets out an assessment of: evidence of need and strategic fit; outputs; costs, funding requested and match funding provide; value for money (VfM); risks and timescales to ensure completion by the end of March 2025; and contribution to the development of a pipeline of future capital projects. The appraisal reports provide a conclusion, recommendation whether to approve or reject funding request, and a RAG status.
- 3.4 For the **Project Delivery Strand (capital)**, the independent appraisers used the Green Book Five Cases Model to appraise each capital project. Each appraisal report sets out a thorough assessment, including scoring, justification, and RAG rating for each of the five cases. The reports also provide an overall RAG status, alongside key recommendations around approval or rejection, level of grant funding and any conditions.
- 3.5 Summary of the outcome of the appraisal
- 3.6 **Revenue Programme** - From the appraisal of 16 revenue projects, 11 projects have been recommended by the appraiser to be approved for funding either at the level applied for or at a reduced rate. Projects that received a red RAG rating were recommended to be rejected, as a result of critical issues raised as part of the appraisal, such as financial fragility of the lead organisation, lack of clarity around what the project would deliver, and specific project related risks.
- 3.7 **Capital Programme:** A total of 19 capital projects were appraised, with the appraisers recommending that 13 projects are approved and receive funding from the Net Zero Fund. Again, the appraisers recommended that the grant rate for many projects could be reduced with the applicants (and/or their partners) to provide additional funding. Reduced grants levels were recommended by the independent appraiser to maximise the value and impact of the Net Zero Fund, equating to over £6m of match funding required from partners. For projects that were recommended to be rejected this was due to receiving a red RAG rating, resulting from critical issues, such as financial fragility of the lead organisation, significant delivery risks and uncertainty around long-term financial sustainability of the project.

4.0 PROPOSED REVENUE AND CAPITAL PROGRAMMES TO FUND

- 4.1 Following receiving the appraiser's recommendations, discussions have been held with all the applicants and funding bodies to ascertain whether the increased match funding grant requirements and proposed funding conditions would be possible. Although some applicants were able to provide an increased level of match funding, or to reduce the scale of their project, the majority of applicants were not able to identify additional match funding. This involved all projects that scored either green or amber ratings through the appraisal with the projects in red rejected due to delivery risks, and uncertainty regarding financial and commercial viability, further discussions will be undertaken with all rejected projects to develop their propositions further for the potential pipeline of future schemes.

4.2 Proposed Revenue Programme

4.3 The table below outlines proposed grant funding to projects following the outcomes of these discussions with applicants:

NET ZERO REVENUE PROGRAMME			
Grouped in RAG rating. Green Approve with minor clarification required, Amber approve with conditions and further clarification.			
Project Name & Organisation Lead	RAG Status	Proposed Grant Funding	Cumulative Project Costs for Capital Programme
Shore Power at Scarborough & Whitby Harbours <i>North Yorkshire Council</i> (North Yorkshire)		£47,084.00	£47,084.00
Establishing a Baseline for Evidence and an Action Plan for Regenerative Farming in York & North Yorkshire <i>Yorkshire Dales National Park Authority</i>		£75,000.00	£122,084.00
Lastingham Case Study <i>North York Moors National Park Authority</i> (North Yorkshire)		£49,680.00	£171,764.00
The Great Yorkshire Kelp Forest <i>East Riding of Yorkshire Council</i> (<i>Yorkshire Marine Nature Partnership</i>) (North Yorkshire)		£57,600.00	£229,364.00
Whitby and Scarborough Park and Ride EV Hyperhub Business Case Development <i>North Yorkshire Council</i> (North Yorkshire)		£45,000.00	£274,364.00
Electric Vehicle Public Charging Infrastructure Rollout Strategy Next Steps <i>North Yorkshire Council</i> (North Yorkshire)		£40,150.00	£314,514.00
District Heat Network - Potto <i>North Yorkshire Council</i> (North Yorkshire)		£60,000.00	£374,514.00
Elvington Lane Solar PV <i>City of York Council</i> (York)		£50,000.00	£424,514.00
Harewood Whin Green Energy Park <i>City of York Council</i> (York)		£243,500.00	£ 668,014.00
North Wigginton Onshore Wind - Project Development <i>City of York Council</i> (York)		£50,000.00	£ 718,014.00
Green Energy Park at Seamer Carr & Decarbonising Allerton Waste Recovery Park <i>North Yorkshire Council</i> (North Yorkshire)		£187,500.00	£ 905,514.00
TOTAL:		£905,514.00	

4.4 Approval of this revenue programme would provide grant funding for 11 revenue projects, with a total grant award of **£905,514**. This would achieve the following key outputs: 8 Feasibility Studies, 6 Full Business Cases, 2 Outline Business Cases, 1 Research Report & Action Plan. This will enable York and North Yorkshire to develop a strong **pipeline of strategic, investment-ready net zero project** that will drive green economic growth across the economy and the delivery of the region's carbon targets.

4.5 Proposed Capital Programme

4.6 Following discussions with applicants, 1 project (North Yorkshire Council's Electric Vehicle Charging Point Rollout Project) has been withdrawn as alternative funding has been

identified. Discussions with applicants around potential for increasing match funding and downscaling projects has led to a proposed total allocation of **£6,281,224 grant funding** to capital projects.

NET ZERO CAPITAL PROGRAMME			
Ranked in RAG rating order and then Strategic fit rating			
Project Name & Organisation Lead	RAG Rating	Proposed Grant Funding	Cumulative Project Costs for Capital Programme
Moorland Restoration Project <i>Denton Park Estate (North Yorkshire)</i>		£109,657	£109,657
REstore <i>North York Moors NPA (North Yorkshire)</i>		£473,001	£582,658
Net Zero for Yorkshire North & East Methodist District <i>Yorkshire North & East Methodist District (North Yorkshire)</i>		£531,555	£1,114,213
The Electric Cow Project <i>Askham Bryan College (York)</i>		£360,000	£1,474,213
Solar PV & Battery Storage installation on Council Commercial Assets <i>North Yorkshire Council (North Yorkshire)</i>		£252,394	£1,726,607
Kildwick to Silsden Active Travel Link <i>North Yorkshire Council (North Yorkshire)</i>		£972,048	£2,701,063
Community Transport Decarbonisation <i>North Yorkshire Council (North Yorkshire)</i>		£431,850	£3,132,913
Decarbonising Community Buildings <i>North Yorkshire Council (North Yorkshire)</i>		£550,000	£3,682,913
Renewable Heating Upgrade - Alex Lyon House <i>City of York Council (York)</i>		£1,050,611	£4,733,524
Honeysuckle House heat pump communal heating upgrade <i>City of York Council (York)</i>		£843,788	£5,577,312
Street Lighting LED Conversion <i>City of York Council (York)</i>		£352,282	£5,929,594
Commercial Buildings LED Lighting Renewal Project <i>City of York Council (York)</i>		£354,028	£6,283,622
TOTAL:		£6,281,224	

4.7 The proposed capital programme will deliver 12 projects, leading to substantial carbon emissions savings, as profiled below up to 2039:

	2024/25	2025-9	2030-2034	2035-9
Tonnes of carbon emissions saved	169	70,741	62,780	62,780

4.8 Proposed Management Costs

To resource the management and delivery of the net Zero Fund and undertake the following activities it is proposed that a budget of **£350k** is provided from the Net Zero Fund.

This would include the following:

- Communications – This will primarily be done through existing networks and through Local Authority contacts, however there will be some call for press releases and Marketing
- Information sessions – In order to provide potential applicants with detailed information about the Fund.

- Legal and Assurance – There will be some significant resource implication in receiving, assessing, appraising and responding to the applications submitted.
- Developing the business cases and projects – primarily this will be the task of the potential applicants but to ensure high quality applications some assistance and support will be required.
- Contracting and Programme Management – Managing all the grants and ensuring delivery
- Pipeline development – continuing to develop the next round of projects and future a future pipeline of projects

4.9 Programme Budget: Over-Commitment of Funding

The proposed programmes of revenue and capital projects lead to a total of **£7,186,738** of grant funding to projects. Considering the programme management budget of £350,000 (at agreed 5% level), this totals **£7,536,738**. An overcommitment of **£536,738** against the original budget allocation. This level of over-commitment is recommended due to the potential for time slippage, under-delivery and some projects not coming to fruition. If funding is not over-committed and there is under-performance, then the equivalent amount of funding would be required to be returned to Government. Therefore, this approach reduces programme level delivery risks and ensure York and North Yorkshire benefit from the full £7m committed by Government. By over-committing the funding, the MCA would need to guarantee the additional funding through the Mayoral Investment Fund.

5.0 PROGRAMME LEVEL BUSINESS CASE

- 5.1 As set out in the background information, the £7million investment is subject to the agreement of a business case. The business case has been drafted and has been approved by the MCA Director of Transition, in consultation with the Local Authority Chief Executives, and submitted to the Department for Levelling Up, Housing and Communities (DLUHC) on the 6th October 2023. Within the business case, the proposed revenue and capital programmes has been caveated with being subject to the decision of the York and North Yorkshire Joint Devolution Committee. This approach was required in order to ensure that DLUHC can agree the business case by the end of October, allowing formal offer letters to be issued in November and subsequent funding agreements to be issued in December. If the business case submission was delayed, it would put the programme at risk due to the tight timescales for delivery by the end of March 2025.
- 5.2 DLUHC are currently seeking ministerial approval to release the £7m for the Net Zero Fund prior to the MCA order being passed and MCA being established. It is expected that the funding will be received from Government in December 2023.

6.0 FINANCIAL IMPLICATIONS

- 6.1 As outlined earlier in the report, should the recommended option be approved, costs of £7.5m will be incurred against the available funding of £7m. An allowance of £350k has been made for essential programme management and other associated support service costs, meaning that all costs have been considered and there will be sufficient resource to ensure delivery of the approved schemes. All costs will be closely monitored. The recommended option will require funding of £0.5m to be notionally allocated from the Mayoral Investment Fund. In relation to the applicants of the Net Zero Fund, as stated within the fund's Prospectus, 'all activity and expenditure, up to the order being passed by Government, is undertaken at the applicant's risk'.

8.0 LEGAL IMPLICATIONS

- 8.1 A formal funding agreement will be put in place for each project. The funding agreements will be developed to address any potential legal issues arising. All shortlisted projects will be required to submit a UK Subsidy Control Assessment before receiving funding to ensure compliance.

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 The Net Zero Fund has been established to support York and North Yorkshire reach its ambition to be a carbon negative region, and hence address climate change. The delivery of the NZF will make a significant contribution to reducing Greenhouse Gas Emissions (GHGs), alongside improving natural carbon sequestration.

10.0 EQUALITIES IMPLICATIONS

- 10.1 No equalities implications are anticipated at this stage. As part of the initial assessment process, each project has been required to pass a gateway check of ensuring the project will deliver public or communal benefit. This will ensure the benefits of each project will not only accrue to a single organisation or individual.

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 As referenced in '3.0 Appraisal Process and Outcome', recommendations for shortlisted projects have been based on a thorough independent appraisal and a decision is required to enable the delivery of the £7m by the end of March 2025.
- 11.2 The programme management budget incorporates the costs for both developing and delivering the programme and is vital to ensuring the effective management of the Fund.
- 11.3 The level of over-commitment of funding is recommended to reduce delivery risk and ensure the full £7m is delivered.
- 11.4 Delegated responsibility to the Director of Transition, in consultation with the Chief Executives from both York and North Yorkshire Council to approve any minor adjustments to grant funding amounts to projects is required in the case of any changes to projects.

12.0 RECOMMENDATIONS

Subject to the final Net Zero programme level business case being approved by Central Government and the release of the £7m grant funding, the Joint Committee is recommended to:

1. Delegate authority to the NYC Corporate Director for Finance (S151) to accept the £7m grant funding.
2. Approve £905,514 towards the proposed revenue programme (as detailed in section 4.2).
3. Approve £6,281,224 towards the proposed capital programme (as detailed in section 4.5).
4. Approve £350,000 towards the programme management costs (for the purposes set out in section 4.8).
5. Note that the total Net Zero programme budget is £536,738 more than the grant available.
6. Approve this over commitment (up to a maximum of £536,738) to be funded from the Mayoral Investment Fund.

7. Delegate responsibility to MCA Director of Transition, in consultation with the Local Authority Chief Executives, to approve any minor adjustments to proposed grant funding amounts to projects.
8. Note that the delivery of the proposed Net Zero Fund programme will lead to substantial Greenhouse Gas (GHG) Emissions reductions, making a significant contribution to York and North Yorkshire's ambition to be net zero by 2034.

APPENDICES:

None

James Farrar – Interim Director of Transition
13 October 2023

Report Author – Andrew Leeming

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

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**NORTH YORKSHIRE COUNCIL
Joint Devolution Committee
23 October 2023**

Committee Work Programme

Report of the Assistant Chief Executive (Legal and Democratic Services)

1.0 Purpose of the report

1.1 Members are asked to note the Committee's work programme (see Appendix A).

2.0 Remit of the Committee

2.1 The Joint Devolution Committee has the following functions:

- To have oversight of the development of the York and North Yorkshire Combined Authority and ensure that it is able to be launched in accordance with the Statutory Orders issued by Government.
- To ensure that sufficient resources are made available to support the creation and implementation of the York and North Yorkshire Combined Authority which includes
 - financial management and oversight
 - securing of appropriate resources (officers, technical and otherwise) to enable delivery and the development of governance and a policy framework.
- To exercise the ability to approve or adopt any policy or policy framework which is solely and directly relevant to the development and implementation of the York and North Yorkshire Combined Authority.

3.0 Financial implications

3.1 The financial implications are set out in the body of each report.

4.0 Legal implications

4.1 The legal implications are set out in the body of each report.

5.0 Climate change implications

5.1 There are no significant climate change implications arising from this report.

6.0 Equalities implications

6.1 There are no significant equalities implications arising from this report.

7.0 Recommendations

7.1 That Members note the Committee's work programme (see Appendix A).

Appendices:

Appendix A – Committee Work Programme.

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)
County Hall
Northallerton
23 October 2023

Report Author:
Suzan Harrington, Interim Monitoring Officer

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

Joint Devolution Committee Work Programme – Updated 12 October 2023		
24 July 2023 - Complete		
Item	Decision or Update	Officer Lead
AEB Implementation Plan	Decision	James Farrar
Budget update including implementation costs	Decision	Debbie Mitchell
Branding of MCA	Decision	Aisse Gallie
Proposed governance arrangements for MCA including transition arrangements and HR considerations	Decision	Helen Whiting
25 September 2023 - Cancelled		
Cancelled		
23 October 2023		
Final Business Cases for Net Zero funding programme	Decision	James Farrar
Budget update	Update	Debbie Mitchell
Devolution Progress	Update	James Farrar
15 December 2023		
Final Business Cases for Brownfield Housing Fund programme	Decision	James Farrar
Budget Update	Update	Debbie Mitchell
Economic Framework	Decision	James Farrar
LEP Integration Plan Update	Update	James Farrar
Routemap to Carbon Negative	Update	James Farrar
Governance Arrangements for the MCA	Update	Monitoring Officer
Assurance Framework	Decision	Paul Clark
OPFCC Implementation Plan	Update	Simon Dennis
MCA Organisational Structure Update	Update	James Farrar
January 2024 – Inaugural MCA Cabinet Meeting		
Governance arrangements for the MCA: - Approval of Constitution - Appointment of External Auditors - Policy Framework - Statutory Officer Appointments	Decision	Monitoring Officer
Committee Appointments	Decision	Monitoring Officer
Budget Approval	Decision	Debbie Mitchell
January 2024 – MCA Cabinet		
Digital Strategy	Decision	James Farrar
Budget Update	Update	Debbie Mitchell
Approval of Key Route Network	Decision	Barrie Mason
Approval of Strategic Highway Asset Management Plan	Decision	Barrie Mason
Police, Fire & Crime Panel Pre-Precept Meeting - Police and Fire Budget Presentation (For Information)	Update	Simon Dennis
March/April 2024 - MCA Cabinet		
Approval of Strategic Local Transport Plan	Decision	Barrie Mason
Approval of Major Schemes Pipeline	Decision	Barrie Mason
Digital Strategy	Decision	James Farrar

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